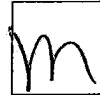


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02105A



MT. TIPTON WATER Co., INC.

P.O. Box 38

DOLAN SPRINGS, AZ 86441-0038

RECEIVED

FEB 23 2007

AZ CORP COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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entered
2-23-07
RF

COMPANY INFORMATION

Company Name (Business Name) <u>MT TIPTON WATER CO, INC</u>		
Mailing Address <u>P.O. Box 38</u>		
<u>Dolan</u> (City)	<u>SPRINGS</u> (State)	<u>AZ</u> (Zip)
<u>928 767 3713</u>	<u>928 767 3053</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>MTIPTONWCO@YAHOO.COM</u>		
Local Office Mailing Address <u>SAME</u>		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		

MANAGEMENT INFORMATION

Management Contact: <u>Judy MORGAN</u> <u>MANAGER</u>		
<u>P.O. Box 38</u> (Street)	<u>DOLAN SPRINGS</u> (City)	<u>AZ 86441</u> (State) (Zip)
<u>928 767 3713</u>	<u>928 767 3053</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>MTIPTONWCO@YAHOO.COM</u>		
On Site Manager: <u>Judy Morgan</u>		
<u>P.O. Box 38</u> (Street)	<u>DOLAN SPRINGS</u> (City)	<u>AZ 86441</u> (State) (Zip)
<u>928 767 3713</u>	<u>767 3053</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>MTIPTONWCO@YAHOO.COM</u>		

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: NA

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: NA

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

NON-PROFIT

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☒ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	7873.44	1417.29	6456.15
302	Franchises	313.00	—	313.00
303	Land and Land Rights	3600.00		3600.00
304	Structures and Improvements	44507.48	10824.83	33682.65
307	Wells and Springs	385696.77	128884.93	256811.84
311	Pumping Equipment	104325.00	71711.12	32613.88
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	57112.00	28663.68	28448.32
331	Transmission and Distribution Mains	516053.12	251163.13	264889.99
333	Services	96205.00	41616.82	54588.18
334	Meters and Meter Installations	79613.00	35868.52	43744.48
335	Hydrants	1230.00	811.20	418.80
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	656228.68	87497.17	568731.51
340	Office Furniture and Equipment	21888.69	11897.40	9991.29
341	Transportation Equipment	24539.87	17102.74	7437.13
343	Tools, Shop and Garage Equipment	2895.00	1990.69	904.31
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	2705.57	377.63	2327.94
	TOTALS	2004786.62	689827.15	1314959.47

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	7873.44	.02	157.47
302	Franchises	313.00	—	—
303	Land and Land Rights	3600.00	—	—
304	Structures and Improvements	44507.48	.02	890.15
307	Wells and Springs	385696.77	.03	12434.47
311	Pumping Equipment	104325.00	.03	3160.49
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	57112.00	.02	1142.24
331	Transmission and Distribution Mains	516053.12	.03	17851.58
333	Services	96205.00	.03	3206.84
334	Meters and Meter Installations	79613.00	.02	1942.75
335	Hydrants	1230.00	.02	24.60
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	656228.68	.04	26249.15
340	Office Furniture and Equipment	21888.69	.07	1444.14
341	Transportation Equipment	24539.87	.08	1940.72
343	Tools, Shop and Garage Equipment	2895.00	.12	361.73
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	2705.57	.02	81.99
	TOTALS	2004786.62		70888.32

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 8,289	\$ 24,305
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	22,544	15,872
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	3,410	4,302
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 34,243	\$ 44,479
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,655,879	\$ 1,658,742
103	Property Held for Future Use <i>Security Deposits + FED NREA LOAN</i>	50,796	65,261
105	Construction Work in Progress		7,661
108	Accumulated Depreciation – Utility Plant	< 483,930 >	< 554,818 >
121	Non-Utility Property <i>LAND</i>		3,600
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 1,222,745	\$ 1,180,446
	TOTAL ASSETS	\$ 1,256,988	\$ 1,224,925

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 36,359	\$ 53,634
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	41,992	28,118
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	26,438	25,812
	TOTAL CURRENT LIABILITIES	\$ 104,789	\$ 107,564
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 1,024,198	\$ 1,007,093
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	28,207	27,122
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 28,207	\$ 27,122
	TOTAL LIABILITIES	\$ 1,157,194	\$ 1,141,779
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	99,794	83,146
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 99,794	\$ 83,146
	TOTAL LIABILITIES AND CAPITAL	\$ 1,256,988	\$ 1,224,925

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 260,150	\$
460	Unmetered Water Revenue	72,369	
474	Other Water Revenues		
	TOTAL REVENUES	\$ 332,519	\$ 386,997
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 63,550	\$ 70,781
610	Purchased Water		
615	Purchased Power	32,133	48,129
618	Chemicals		
620	Repairs and Maintenance	36,892	22,783
621	Office Supplies and Expense	4,214	13,165
630	Outside Services	29,037	20,565
635	Water Testing	4,659	5,251
641	Rents	3,152	
650	Transportation Expenses		5,328
657	Insurance – General Liability	18,841	22,065
659	Insurance - Health and Life	1,117	
666	Regulatory Commission Expense – Rate Case		677
675	Miscellaneous Expense	13,258	2562
403	Depreciation Expense	70,746	70,888
408	Taxes Other Than Income	23,988	14,357
408.11	Property Taxes		24,652
409	Income Tax <i>Consulting Fee (RUHL)</i>	66,650	
	TOTAL OPERATING EXPENSES	\$ 367,237	\$ 321,203
	OPERATING INCOME/(LOSS)	\$ < 34,718 >	\$ 65,794
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 536	\$ 376
421	Non-Utility Income <i>Penalties</i>	< 163 >	
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	< 18,971 >	67,505
	TOTAL OTHER INCOME/(EXPENSE)	\$ < 18,598 >	\$ < 67,129 >
	<i>Prior Year Adjustment</i>		< 15,313 >
	NET INCOME/(LOSS)	\$ < 53,316 >	\$ < 14,648 >

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	8/13/71	8/07/98	4/3/00	8/23/01
Source of Loan	USRDA RD-91-02	USRDA RD-91-03	USRDA RD-91-05	WIFA 920044-02
ACC Decision No.				64287
Reason for Loan	SYSTEM IMP.	SYSTEM IMP.	SYSTEM IMP.	PURCHASE DOLAN SPRING WATER CO IMPROVEMENTS
Dollar Amount Issued	\$ 248,300	\$ 100,000	\$ 100,000	\$ 887,548.63
Amount Outstanding	\$ 22,285.41	\$ 79,865.59	\$ 86,688.74	\$ 799,705.83
Date of Maturity		08/07/2008	04/03/2020	08/01/2021
Interest Rate	5 %	4.5 %	4.5 %	4.725 %
Current Year Interest	\$ 1482.72	\$ 3695.67	\$ 3995.33	\$ 34,590
Current Year Principle	\$ 13,517.28	\$ 4152.33	\$ 3852.67	\$ 25,165.

Meter Deposit Balance at Test Year End \$ 21,394.55

Meter Deposits Refunded During the Test Year \$ 3,968.60

COMPANY NAME MT Tipton Water Co 2004

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-606511	20	40	600	8	2	1972
55-508835	20	32	700	8	2	1987
55-520733	12	07	510	8	2	1988
55-510178	15	40	900	8	3	1985
55-601816	15	40	465	8	2	1966
55-601847	40	28	500	6	2	1978
55-601848	Gravity	10	147	2	1	1972
55-601849	2	7	350	8	1 1/2	1962
55-502441	50	253	640	8	4+3	1982

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1		3 (Blow-offs)
7.5	1		
5	2		
3	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
200,000	1	1000	1
100,000	2		
55,000	1		
50,000	2		
25,000	1		
10,000	3		
8,500	2		

COMPANY NAME MT Tipton Water Co., Inc. 2004

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	8,915
3	{	680
4	}	29,645
5		
6	PVC	76,580
8	"	11,490
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	2
1 1/2	2
2	1
Comp. 3	
Turbo 3	
Comp. 4	1
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

NONE

STRUCTURES:

2 OFFICE BLDGS ; FENCING + LANDSCAPING

OTHER:

COMPANY NAME: MT TIPTON WATER CO., INC 2004

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	748	3,543,100	4647397
FEBRUARY	734	3,230,240	3779359
MARCH	737	3,577,340	4918960
APRIL	737	3,936,910	5115250
MAY	738	5,001,080	6192030
JUNE	742	5,248,740	6531200
JULY	741	5,209,730	6727670
AUGUST	741	4,103,660	5548060
SEPTEMBER	743	2,234,440	3870618
OCTOBER	745	2,846,510	367170
NOVEMBER	749	2,010,420	2890410
DECEMBER	755	2,300,610	3939660
TOTAL		N/A	57,777,787

43,247,680

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. See below mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

Well # 1 - .0030
2 - .005
3 - .0032
5 - .003
6 - .05
7 - .01
8/9 - .02

COMPANY NAME _____ YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 4,253.20

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME _____

YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____ N/A
Estimated or Actual Federal Tax Liability _____ N/A

State Taxable Income Reported _____ N/A
Estimated or Actual State Tax Liability _____ N/A

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____ N/A
Amount of Gross-Up Tax Collected _____ N/A
Total Grossed-Up Contributions/Advances _____ N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

2/16/07
DATE

Judy Morgan
PRINTED NAME

MANAGER
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

FEB 28 2007

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>MOHAVE</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Judy Morgan</u> <u>MANAGER</u>
COMPANY NAME <u>MT. TIPTON WATER Co., INC.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 386,997

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
(928) 767-3714
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 16th DAY OF

COUNTY NAME <u>MOHAVE</u>	
MONTH <u>February</u>	.20 <u>07</u>

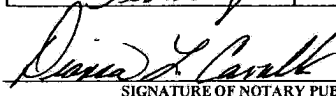
(SEAL)



Notary Public State of Arizona
Mohave County
Dianna L. Cavallo

MY COMMISSION EXPIRES

September 28, 2008


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

FEB 23 2007

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>MOHAVE</u>	
NAME (OWNER OR OFFICIAL) <u>Stacy Morgan</u>	TITLE <u>MANAGER</u>
COMPANY NAME <u>MT. TIPTON WATER CO., INC</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 386,997

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Stacy Morgan
SIGNATURE OF OWNER OR OFFICIAL

928 767-3713
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

16th

DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME <u>DIANNA L. CAVALLIO</u>	
COUNTY NAME <u>MOHAVE</u>	
MONTH <u>February</u>	<u>2007</u>

X Dianna L. Cavallio
SIGNATURE OF NOTARY PUBLIC



Notary Public State of Arizona
Mohave County
Dianna L. Cavallio
Expires September 28, 2008

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**